

## MEETING NOTES

# GOVERNOR'S FOREST HEALTH OVERSIGHT COUNCIL

Thursday August 12<sup>th</sup>, 2004 at 9:30 a.m.  
Rocky Mountain Research Station

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- 1) Call to Order
  - a. 9:30 am
- 2) Approval of minutes of the **7.8.04** meeting
  - a. Kirk
  - b. Rob
    - i. Motion passes with suggested changes
- 3) Subcommittee Reports
  - a. Reports
    - i. Utilization & Commerce – Marty Moore
      1. Put together a potential recommendation list based on the conference sessions
    - ii. Zoning & Implementation – Mayor Joe Donaldson
    - iii. Policy – Lori Faeth
      1. Full day legislation meeting will be coming up. Everyone is welcome.
      2. September 2<sup>nd</sup>
    - iv. Education – Michael Neal
      1. Will be meeting later today...
- 4) The Challenges Facing a Small Business Owner in the Forest Thinning Field
  - a. Allen Ribelin, High Desert Investment
  - b. Recommendations the Council might make, either to the legislature or the feds to alleviate challenges
    - Commercial firewood market is the only market left in Flag.
    - Decking is a huge problem because the issue is that there is no place to take the timber once harvested.
    - They are the only loggers left in Flag
    - Try to make a living on Stewardship contracts
    - Attempting to donate several truckloads to Navajo/Hopi – small diameter timber that has been sitting too long to be valuable
    - Very few mills left in AZ
    - Shipping to California (560 miles) - when average shipping is 120 miles
    - High registration and insurance costs in this state, which is prohibitive.
    - No active rail spurs
    - 2702 is state code for logging
    - Industrialization of logging is the only way - small business is the not able to absorb the overhead
    - Solution ideas: The public/private partnership in the state could alleviate costs...
    - Significant decline of membership in the South West Logger Association – 150 to 20
    - Perhaps we need to do is incentivise the market – pull rather than push
    - Small material (useless) makes up much of the

## IOF – Recommendations

1. Priority given to AZ products (Guard rails, etc.)
2. More Fed research and funding (to help with utilization)
3. Thermal and electrical energy

Will place the IOF on the agenda for September

- 5) Review of proposed legislative changes CLEANUP
  - a. Please email suggestions for legislation changes to HEATHER
  - b. Biomass definition
  - c. Lot splits
  - d. Ineffectiveness of incentives
    - i. Will they work the way they are drafted?
    - ii. Partnership with IOF will help.
    - iii. Percentage of domestic timber
    - iv. Number of contractors
- 6) Discussion of Revenue Sources
  - a. BBB Tax (state or county wide) to supplement fire defense.
- 7) Discussion and Approval of Economic Principles
  - a. Guiding principles changes (final changes)
  - b. Some discussion of the term 'viable restoration economy'.
    - i. Marty moves
    - ii. Lori Seconds
    - iii. Motion passes with agreed upon changes. Will be distributed to council by Heather.
- 8) Environmental Portfolio Standard
  - a. Mark Spitzer, Chairman Arizona Corporation Commission
    - i. Commission acts in a quasi-judicial, rule making capacity
    - ii. Renewables are more expensive
    - iii. Increase funding
    - iv. Increase use of idled plants (demand side management DSM)
    - v. Solar demand is hurting the biomass market (solar bias)
      1. Wall Street doesn't like wind and solar
    - vi. Best technologies compete fairly and the most efficient will excel
      1. draft report will be available
      2. triggers the rule-making process
      3. leverage the EPS \$ so that it will go as far as possible – use revenue over 20 years to amortize the cost.
- 9) Recommendations for 2005 Legislation
  - a. Need special taxation districts for areas not within a rural fire district to help pay for the fire protection. State Forester has a mechanism in place for using the GF \$ for this purpose.
  - b. We need a state wide Wildland Urban interface code
    - i. Cost prohibits most communities and counties from undertaking the task.
  - c. Supervisor Hill
    - i. What will be needed in terms of legislation to give Counties more authority.

1. YCC has trouble fulfilling their mission because they have no authority to engage in ANY activity pertinent to fire-fighting – will request legislation that will allow the county to directly participate in forest health activities
  2. Fire wise / fire safe (permissive) requirements. County can't request or require that homeowners adhere to rules.
  3. More authority to control lot splits – subdivisions have the innate ability to require road widths, sprinklers, maintenance of roads, defensible space, more than one point of access from a development. (Utilities are in support of the lot splits)
- d. If they have the authority to require, they need to be able to generate funds – currently they do not have that.

10) Future meeting dates and locations/ Identify facilities

- a. Summer 2004 schedule
  - i. September 9<sup>th</sup> - Summerhaven
  - ii. October 14<sup>th</sup> - Williams
  - iii. November 11<sup>th</sup> - Safford
  - iv. December 9<sup>th</sup> - Phoenix
  - v. January - BREAK?

11) Call to the Public

12) Adjourn

- a. 12:36 p.m.
- b. Chair Moved

*Dated this 12<sup>th</sup> day of August, 2004 - Governor's Forest Health Oversight Council*

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CO-CHAIRS

Representative O'Halleran – Arizona House of Representatives  
Diane Vosick – Ecological Restoration Institute

<http://www.governor.state.az.us/FHC/>